

News Release

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DOMINION VIRGINIA POWER ANNOUNCES ENERGY CONSERVATION EFFORTS

- New group to sponsor pilot programs, look for ways to help environment
- Working with SCC staff, EPA, DOE, energy efficiency product suppliers
- Twelve percent of electricity expected to come from renewable sources by 2022

RICHMOND, Va. – Dominion Virginia Power, a subsidiary of Dominion (NYSE: D), is expanding programs that help customers use energy more efficiently, better understand their energy consumption patterns, and help the environment by increasing the use of renewable energy sources.

The company has formed an Energy Conservation group to encourage a renewed customer interest in energy efficiency. The group will explore new technologies and techniques for residential and business customers to reduce their impact on the environment and help them reduce their demand for electricity.

"Virginia's need for electricity is burgeoning," said Thomas F. Farrell II, chairman, president and chief executive officer. "The projected additional demand for power in Virginia in the next 10 years is 4,000 megawatts, or the equivalent electricity to power 1 million new homes.

"The only way to meet that demand effectively is through a combination of energy conservation, efficiency and peak-load management along with a systematic program to add new generation facilities. This approach will provide our customers with a balanced and flexible portfolio of reliable, cost-effective energy," Farrell said.

As part of adding more power sources, Dominion plans to increase the use of renewable generation with the goal of having 12 percent of its electricity come from those sources by 2022. That would match the target included in the electric utility re-regulation legislation adopted earlier this year by the Virginia General Assembly.

Dominion already has expanded its renewable portfolio in a partnership with Royal Dutch Shell to build a 164-megawatt wind generation facility in West Virginia, which is enough power to supply electricity for about 40,000 residential customers. Dominion will continue to evaluate additional cost-effective, renewable energy sources.

In continuing support of energy conservation and peak load reduction efforts, Dominion is:

• Developing several pilot programs to test the effectiveness of specific new energy conservation measures in Virginia. These pilot programs will encourage customers to reduce overall electricity consumption, especially during periods of peak demand, such as during extreme winter and summer temperatures. The pilots will include residential and commercial energy audits to help customers avoid wasting energy, an air-conditioning control program, "smart-metering" technologies, critical peak-pricing plans to help customers shift energy usage to off-peak times and distributed generation projects to increase energy supply. All programs are subject to review and approval by the Virginia State Corporation Commission.

"Serious energy conservation must begin at the home and workplace. That will require lifestyle changes if energy conservation programs are to achieve sustainable, long-term success," said Farrell. "Our programs will be designed to help customers understand their energy usage patterns, the cost of their choices, and what it will take to achieve sustainable energy savings. This challenge will also require coordinated efforts at the national, state and local levels to achieve the necessary energy efficiency standards in buildings, appliances and energy management systems."

- Working with the SCC staff and other interested parties to develop a long-term energy conservation plan for Virginia as directed by the General Assembly in legislation adopted earlier this year. Dominion's pilot programs will complement the SCC activities by offering practical solutions for energy conservation and peak load reduction.
- Partnering with the U.S. EPA/DOE ENERGY STAR program to promote the purchase and use of energy-efficient appliances, energy-efficient building practices for new homes, and energy-efficient improvements for existing homes. The company will also collaborate with retailers to make efficient compact fluorescent light (CFL) bulbs available to customers at a discount.
- Endorsing the National Action Plan for Energy Efficiency Recommendations http://www.epa.gov/cleanenergy/eeactionplan.htm, which provides principles and guidelines for state legislatures, public utility commissions and electric utilities to use to meet the nation's growing demand for energy by delivering cost-effective demand-side options. When fully implemented, this could save Americans billions of dollars over the next decade, contribute to enhanced energy security, and improve the environment.
- Educating consumers about the benefits of energy efficiency and conservation. The company is expanding its Web site, www.dom.com, with additional energy conservation and efficiency tips.
- Accelerating the development of new fuel cell technology through an investment in the
 Microcell Corp. of Raleigh, N.C. http://www.microcellcorp.com. Fuel cells are
 electrochemical devices that convert chemical energy directly into electrical energy.
 Microcell is the world leader in proton exchange membrane (PEM) micro fiber fuel cells
 that have applications as distributed generation devices.

Providing leadership support to the Electric Power Research Institute
 http://www.epri.com, an independent, nonprofit center for public interest in energy and
 environmental research. In particular, Dominion will provide leadership to the Dynamic
 Energy Management Initiative, a program that will research emerging technologies,
 assess methods to quantify greenhouse gas reductions, and evaluate end-use customer
 devices for the residential and business sectors.

David W. Green, vice president-Customer Service, and Robert H. Burnette, director-Energy Conservation, will lead the company's conservation efforts. Burnette has spent most of his 32 years with Dominion helping industrial and commercial customers understand how to use energy more efficiently.

The Northern Virginia Technology Council, which is the association for the technology community in Northern Virginia with more than 1,100 member companies, welcomed Dominion's announcement: "The Northern Virginia Technology Council supports all efforts to encourage businesses and customers to conserve energy. NVTC sees an opportunity to build our region into a 'Green Hub' if innovation and modernization, incentives, voluntary, market-oriented programs such as Energy Star, and public education efforts to address demand are aggressively and appropriately employed."

Dominion is one of the nation's largest producers of energy with an energy portfolio of more than 26,500 megawatts of generation. Dominion also serves 5.3 million retail energy customers in nine states. For more information about Dominion, visit the company's Web site at www.dom.com.

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